IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 26.08.2019

CORAM

THE HONOURABLE MR.JUSTICE T.S.SIVAGNANAM
and
THE HONOURABLE MRS.JUSTICE V.BHAVANI SUBBAROYAN

Tax Case Appeal No.653 of 2011

The Commissioner of Income-tax-VIII,
Chennai. .. Appellant

-vs-

Shri Sherif Dyan,
22, Second Lane Beach,
Chennai-600 034.
PAN: AACPD1249G .. Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 24.06.2011, made in I.T.A.No.2088/Mds/2010 on the file of the Income Tax Appellate Tribunal 'B' Bench, Chennai for the assessment year 2006-07, and against the order of the Commissioner of Income Tax(Appeals)-IX, Chennai, dated 13/09/2010 made in ITA.NO.172/08-09 and against the order of the Assistant Commissioner of Income Tax Business Circle IX, Chennai, dated 24/06/2011 made in PAN/GIR.NO.AACPD1249G.

For Appellant : Mr.T.R.Senthil Kumar,
Senior Standing Counsel
: assisted by Ms.K.G.Usharani,
Standing Counsel

For Respondent : Mr.T.Pramodkumar Chopda
for Mr.R.Sivaraman

JUDGMENT

(Delivered by T.S.Sivagnanam, J.)

This appeal filed by the Revenue under Section 260A of the Income-tax Act, 1961 is directed against the order dated 24.06.2011, made in I.T.A.No.2088/Mds/2010 on the file of the Income Tax Appellate Tribunal 'B' Bench, Chennai for the assessment year 2006-07.

2.The appeal was admitted on 18.01.2012, on the following substantial questions of law:-

> "(i) Whether on the facts and in the circumstances of the case, the Income Tax Appellate Tribunal was right in law in deleting the additions made by the assessing officer to the tune of Rs.2,54,08,298/- as long term Capital Gains is valid?
>
> (ii) Whether on the facts and in the circumstances of the case, the Income Tax Appellate Tribunal was right in law in deleting the additions made by the assessing officer, even though the agricultural land was converted into plots for non-agricultural purposes at Navalur and Siruseri on OMR are notified area for IT corridor from 2001, will attract long term Capital Gains?"

3.Heard Mr.T.R.Senthil Kumar, learned Senior Standing Counsel assisted by Ms.K.G.Usharani, learned Standing Counsel for the appellant - and Mr.T.Pramodkumar Chopda, learned counsel for Mr.R.Sivaraman, learned counsel for the respondent.

4. The learned Senior Standing Counsel for the appellant submits that the above appeal is not pursued by the Revenue on account of the low tax effect in terms of Circular No.17/2019, dated 08.08.2019 issued by the Central Board of Direct Taxes. By the said Circular, the monetary limit for filing or pursuing an appeal before the High Court has been increased to Rs.1 Crore. It is further submitted that the tax effect in this case is less than the threshold limit.

5. In the light of the said submissions, the above tax case appeal is dismissed on account of the low tax effect. The substantial questions of law framed are left open. In the event the tax effect is above the threshold limit fixed in the said circular, liberty is granted to the Revenue to make a mention to this Court to restore the appeal to be heard and decided on merits. No costs.

Sd/-
Assistant Registrar(CS IV)

//True Copy//

Sub Assistant Registrar

(abr)

To

1.The Income Tax Appellate Tribunal 'B' Bench, Chennai.

2.The Commissioner of Income Tax(Appeals)-IX, Chennai.

3.The Assistant Commissioner of Income Tax,
Business Circle-IX,
Chennai.

4.The Commissioner of Income Tax-VIII, Chennai

+1cc to Mr.T.R.Senthilkumar, Advocate sr.72921
+2cc to Mr.T.Pramodkumar Chopda, Advocate sr.73634, 73886

T.C.A.No.653 of 2011

gp(co)
nr 21/11/2019